

CTDEP Lean Journey: Lean I Project Team June 12, 2008 Kaizen Event- Final Status Report- November 16, 2009

Evaluation of the OLISP SDF Permit Application Review Process

| Project / Bureau: Evaluation of the OLISP Permit Application Review Process Bureau of Water Protection & Land Reuse | | | | | | | | | | | | | |
|---|--|------------------------------------|--|--|----------------------------|---|--|---|--|--|--|---|---|
| Team: Total number of team members = 6 (4 staff within Division / 2 staff outside Division) Team Sponsor: Betsey Wingfield, Bureau Chief/WPLR Team Leader: Susan Bailey, Env Analyst 3/OLISP Team Members: Peter Francis, Sup Env Analyst/OLISP; Karen Caliendo, HR Spec; Jeff Westermeyer, Env Analyst 2/OLISP; Tonia Selmeski, Env Analyst 2/OLISP; Karen Onofri, Clerical/OLISP; Jeff Caiola, Sup Env Analyst/IWRD Team Champion: Brian Thompson, Director/OLISP | | | | | | | | | | | | | |
| Opportunity Statement: Waste in the Division's Structure, Dredging & Fill (SDF) permit application review process creates extended processing times and inefficiencies, preventing staff from undertaking new initiatives in permitting, compliance, and enforcement. The specific process is the review of full permit applications from receipt to issuance of the permit document. | | | | | | | | | | | | | |
| Objective: To identify waste within the permit application review process including initial completeness review, consistency determination, site inspections, general processing, and internal review, approval, and sign-off steps. | | | | | | | | | | | | | |
| Goals/Key Performance Indicators: <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: center;">Pre-Kaizen Event Goals - June 2008</th><th style="text-align: center;">Post Kaizen Event Results/Key Performance Indicators – status: November 2009</th></tr> </thead> <tbody> <tr> <td>Develop a value-stream map of the permitting process, document processing steps, and develop written SOPs.</td><td>SOPs are still in process.</td></tr> <tr> <td>Reduce average processing time by minimizing number of steps in process. June 2008 = 132 steps.</td><td>January 2010 = 76 steps, resulting in a 57% reduction in total number of process review steps.</td></tr> <tr> <td>Reduce average processing time of initial response letter ("fee letter"). June 2008 = 205 days. (Goal: 30 days)</td><td>January 2010 = 23.6 days, resulting in an 88.5% reduction in time.</td></tr> <tr> <td>Reduce average processing time from application receipt to permit decision. June 2008 = 566 days. (Goal: 125 days)</td><td>November 2009 (proposed) = 70.5 days, resulting in an 87.6% reduction in time.</td></tr> <tr> <td>Substantially reduce the pending permit application backlog (50%). June 2009 application backlog = 269. (Goal: <100 by January 1, 2010)</td><td>November 2009 = 142, resulting in a 49% reduction to date</td></tr> </tbody> </table> | | Pre-Kaizen Event Goals - June 2008 | Post Kaizen Event Results/Key Performance Indicators – status: November 2009 | Develop a value-stream map of the permitting process, document processing steps, and develop written SOPs. | SOPs are still in process. | Reduce average processing time by minimizing number of steps in process. June 2008 = 132 steps. | January 2010 = 76 steps, resulting in a 57% reduction in total number of process review steps. | Reduce average processing time of initial response letter ("fee letter"). June 2008 = 205 days. (Goal: 30 days) | January 2010 = 23.6 days, resulting in an 88.5% reduction in time. | Reduce average processing time from application receipt to permit decision. June 2008 = 566 days. (Goal: 125 days) | November 2009 (proposed) = 70.5 days, resulting in an 87.6% reduction in time. | Substantially reduce the pending permit application backlog (50%). June 2009 application backlog = 269. (Goal: <100 by January 1, 2010) | November 2009 = 142, resulting in a 49% reduction to date |
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OLISP did not calculate the distance traveled for the permit application review process during the Pre-Kaizen/Post-Kaizen phase.

Value Stream Mapping: The activities and steps, both value and non-value added, as shown in the Pre-Kaizen state versus Post-Kaizen desired state.

| Type of Process | Pre-Kaizen – # of Processes | Post Kaizen – # of Processes |
|---|--------------------------------|---------------------------------|
| Valued Added | 38 | 38 |
| No Value Added but Necessary | - | - |
| No Value Added | - | - |
| Waiting | - | - |
| Transport | - | - |
| Total | 132 | 76 |
| Percent Reduction in the Number of Total Steps = 68% Reduction | | |

The Post-Kaizen desired state has resulted in a number of improved program efficiencies, and include the following:

- Pre-application consultation with local officials and resource experts eliminates nearly all waiting for review/response during application review and allows applicants to revise application before even submitting to DEP.
- Requirement for surveys to be submitted with all application drawings so that DEP may rely upon site conditions.
- Revised mailing list to provide significant time and cost savings for DEP.
- New Pre-application form allows DEP to identify concerns early in process.

Highlights of the Implementation Project Plan (2, 6 and 12 month deadlines)

- **Two month goals** – Revise protocol for clerical staff assignment of applications by town-assignments; complete hardcopy of future state map; revise mailing list; create central location for all new permit template documents; create new consultation forms and instructions; develop new notice of insufficiency and other correspondence; develop new summary sheet. *(Status: completed for all two-month goals)*
- **Six month goals**- create new application forms and instructions; train permit staff on new review procedures; conduct outreach to regulated community and consultants; conduct outreach and training to local officials; develop protocol for analyst recommendation meeting; develop permit process; upload new forms to internet; request delegation of authority to Bureau Chief for signature; train clerical staff on new PN procedure; develop FAQ document; and implement new review procedure. *(Status: completed for all six-month goals)*
- **Twelve month goals** – Seek statutory change for application fees; develop process for expiration notices; conduct customer survey. *(Status: ongoing or completed for all twelve-month goals)*

Additional Comments/Observations/WOWS/Innovations from the Team:

- **Unexpected Benefits:** *Transition period allowed direct attention to backlogged applications; regulated community embraced change and even suggested additional improvements and innovations!*
- *First application received was processed in 52 days vs. pre-Lean average processing time of 566 days.*
- *Overall pending permit backlog reduced by 49%.*
- *Once we begin to see results, we hope to expand process improvements to other application types in the near future.*
- *Post-Kaizen regular meetings (a.k.a. “constant gentle pressure”) are critical to ensure momentum continues forward towards full implementation especially when you are unable to make process changes immediately. Our true “implementation date” was aggressively set less than 5 months after Kaizen.*
- *Need to recognize that KPIs may not show immediate returns especially when a full application process is the focus of Kaizen improvement.*
- *Expect setbacks. Need to Plan-Do-Check-Act continuously as project plan is being implemented. Be prepared to be flexible, more improvements will flow as culture changes.*